

1 JOSEPH P. RUSSONIELLO
2 United States Attorney
3 BRIAN STRETCH
4 Chief, Criminal Division
5 THOMAS M. NEWMAN
6 Assistant United States Attorney
9th Floor Federal Building
450 Golden Gate Avenue, Box 36055
San Francisco, California 94102
Telephone: (415) 436-6805
Fax: (415) 436-6748

7 Attorneys for the United States of America

8 UNITED STATES DISTRICT COURT

9 NORTHERN DISTRICT OF CALIFORNIA

10 SAN FRANCISCO DIVISION

11 UNITED STATES OF AMERICA,) No. 08-222-WHA
12 Plaintiff,) DECLARATION OF
13 v.) TROY CROWTHER
14 LUKE D. BRUGNARA,)
15 Defendant.)

16 I, Troy Crowther, pursuant to 28 U.S.C. § 1746, declare and state as follows:

17 1. I am a principal in the firm Piercy, Bowler, Taylor & Kern (“PBTK”), which is an
18 accounting firm located in Nevada.

19 2. In late 2000, Luke Brugnara engaged PBTK when he was applying for a gaming
20 license. PBTK was hired to review Mr. Brugnara’s financial records, including his tax returns.

21 3. On February 27, 2001, I sent a letter to Mr. Brugnara stating, among other things,
22 that his entities, whether S Corporations or C Corporations are required to timely file tax returns
23 regardless of the amount of income or loss. I also advised that the income, expenses, and other
24 deductions of a regular corporation may not be reported on a pass-through basis by a regular
25 corporations’ shareholders. I also noted in the letter that Mr. Brugnara’s tax returns for 1994-
26 1999 “omit” the schedule for net operating and/or passive loss carryovers and “omit” the
27 Alternative Minimum Tax Form.

28 4. On February 27, 2001, Mr. Brugnara called PBTK and asked that we “delete” this

1 letter from our computers.

2 I declare under penalty of perjury that the foregoing is true and correct.

3 Executed on 19 day of April, 2010, at Las Vegas, Nevada.

4

5

6 

7 TROY CROWTHER

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28